

## 2015 Group Products

### Producer Communication #686

*Issued October 7, 2014*

#### Message

The Patient Protection and Affordable Care Act (PPACA) signed into law in March 2010, contains comprehensive benefit changes that will affect health insurance benefit programs over the next few years. As a result of PPACA, certain changes were made in 2014 and will continue in our 2015 plan designs in order to comply with the PPACA legislation.

#### Details

Our goal for 2015 was to streamline our product portfolio and decrease premiums by adding additional member cost share. Our products include the required PPACA essential health benefits in the Small (2-50) and Mid-Market (51-99) segments.

Every year PPACA establishes a maximum in network Out of Pocket (OOP) limit on member cost share for essential health benefits. Effective with the first renewal on or after January 1, 2015, the OOP maximum on a plan may not exceed the limit of \$6,600 for individuals and \$13,200 for families.

Differing from the PPACA OOP limit, the IRS annually sets the maximum out-of-pocket expenses for an IRS-compliant Health Savings Account (HSA) High Deductible Health Plan (HDHP). For renewals on or after January 1, 2015, the IRS stated the OOP limit on HSA HDHPs may not exceed \$6,450 for individuals and \$12,900 for families.

#### SHOP (2-50) Products

Effective January 1, 2015, the Federally Facilitated Marketplace (FFM) will be administering all SHOP offerings online at [www.healthcare.gov](http://www.healthcare.gov). In order for groups to take one of Capital's SHOP plans, they must apply through the FFM. Because of this requirement, Capital could not supply a renewal to current SHOP groups that included SHOP products; and therefore, current SHOP group renewals will only include Off Marketplace products. The renewal documents clearly state that these groups will be mapped to Off Marketplace products, but remind them that they can only receive the business tax credit if they enroll in a SHOP product directly through the FFM.

In 2015, the Pennsylvania SHOP has been granted a delay of the employee choice mandate, which means that employers may still only select one product for their entire employee population. Our 2015 Small Group SHOP portfolio remains the same as 2014 and includes eight medical products each with a packaged Rx product (*Attachment A*). There are two PPOs, three standard broad HMO network products and three Value HMO network products.

For employers with headquarters in the eight counties listed below, the employer may select either the broad HMO product or the Value HMO product. Employers with headquarters outside the eight counties may only select from the broad HMO products. If an employer selects the Value HMO product, members can only access participating providers within the eight counties, as there is no coverage outside of the eight counties except for Emergency or Urgent care. BlueCard or Away From Home Care is only available when using providers outside Capital's standard 21 county service area.

The Value HMO network consists of providers located in the following eight counties:

- Berks
- Lancaster
- Cumberland
- Lebanon
- Dauphin
- Northampton
- Lehigh
- Perry

SHOP products do not include embedded pediatric dental benefits. Rx coverage under the SHOP plans also continues to be different in that there is no two-tier generic copay for drugs and the formulary is selectively closed. A selectively closed formulary is one that only covers select therapy classes for non-preferred brands.

## **Small Group (2-50) Products – Off Marketplace**

Our 2015 Small Group Off Marketplace product portfolio contains 32 medical and three Rx products. Off Marketplace Small Group products include PPO and HMO plans (*Attachment A*). These medical products are all available with and without embedded pediatric dental. The products include the changes outlined below:

- Pediatric Dental Coverage
  - Pediatric dental services are defined as standard dental procedures and orthodontia care (medically necessary) for children under age 19.
  - Capital BlueCross offers Small Group Off Marketplace plans with and without pediatric dental coverage.
    - For those plans that include embedded pediatric dental, the benefit design is the same for all products.
    - Pediatric dental can also be purchased as a non-embedded (stand alone) product.
      - If a medical product without embedded pediatric dental coverage is sold, an attestation must be signed by the group. Please see *Producer Communication #657-Pediatric Dental Small Group Requirements* for details.
- Health Reimbursement Arrangement (HRA) changes – applies to Off Marketplace only
  - The HRA funding amount, which is the amount that the employer contributes, was determined to directly impact the metal level of the product.
  - Capital has predefined the HRA funding amount for Small Groups (2-50) as plans renew beginning January 1, 2015. The predefined funding amounts were reduced significantly from our 2014 plan designs and continue to be part of the naming convention.
  - The HRA set-up form for all group size segments can be found on [CapBlueCross.com/ProducerTools/CDHCenter](http://CapBlueCross.com/ProducerTools/CDHCenter) and because of the funding level change should be completed by any Small Group who offers an HRA in 2015.

In addition to the changes mentioned above, we also made changes to the Off Marketplace product portfolio as outlined below:

- Eliminated plans due to low or no enrollment
- Eliminated PPO 1000-4000 with Rx VBP due to having the same deductible levels as the PPO+ Rewards plans that are required to have Rx VBP, which caused duplicate plans.
- Added plans with higher deductibles

## 2014 Products Eliminated for 2015 – applies to Off Marketplace only

- Healthy Benefits PPO HRA 1000.0.500
- Healthy Benefits PPO HRA 5000.0.3200
- Healthy Benefits PPO HSA 2500.0
- Healthy Benefits PPO HSA 5000.30
- Healthy Benefits PPO 1000.0 Rx VBP
- Healthy Benefits PPO 2000.0 Rx VBP
- Healthy Benefits PPO 3000.0 Rx VBP
- Healthy Benefits PPO 4000.0 Rx VBP

# Producer Bulletin



## New Products for 2015 – applies to Off Marketplace only

- CareConnect 1000.0 PH ACA
- CareConnect 3000.0 PH ACA
- Healthy Benefits PPO 1500.30
- Healthy Benefits PPO 2000.20
- Healthy Benefits PPO DF 1000.20
- Healthy Benefits PPO DF 2000.20
- Healthy Benefits PPO DF 3000.0
- Healthy Benefits PPO HSA 6000.0

## 2014 Products that changed for 2015 – applies to Off Marketplace only

FROM	TO
Healthy Benefits PPO 0.0 10	Healthy Benefits PPO 0.0 20
Healthy Benefits PPO 0.0 25	Healthy Benefits PPO 0.0 35
Healthy Benefits PPO 500.10	Healthy Benefits PPO 500.20
Healthy Benefits PPO HRA 2000.0.1500	Healthy Benefits PPO HRA 2000.0.300
Healthy Benefits PPO HRA 3000.0.2000	Healthy Benefits PPO HRA 3000.0.750
Healthy Benefits PPO HRA 4000.0.2750	Healthy Benefits PPO HRA 4000.0.1000
Healthy Benefits PPO HSA 1500.0	Healthy Benefits PPO HSA 1500.20
Healthy Benefits PPO HSA 2500.50	Healthy Benefits PPO HSA 3500.0

All Small Group Off Marketplace products with embedded Pediatric Dental are also available through *MyCoverage Selector*.

### **Mid-Market (51-99) & ASO Small Business Products**

Our 2015 Mid-Market product portfolio contains 29 medical and three Rx products. These medical products consist of PPO plans (*Attachment A*).

- 2014 Products Eliminated for 2015
  - Healthy Benefits POS Select 500.0
  - Healthy Benefits HSA 4500.30
- New Products for 2015
  - Healthy Benefits PPO Select 0.0 30
  - Healthy Benefits PPO Select 1000.20
  - Healthy Benefits PPO Select 3000.20
  - Healthy Benefits PPO Select HSA 2750.0
  - Healthy Benefits PPO Select HSA 5000.0

All Mid- Market products are also available through *MyCoverage Selector* and a subset is available for the ASO Small Business segment. (*Attachment A*)

### **Large Group (100+)**

Our 2015 Large groups continue to be able to customize any of our benefit options as they do today. Large groups are subject to certain PPACA requirements. Please refer to *Producer Communication #677-2015 PPACA Large Group Benefit Impacts* for details.

### **Pharmacy Products (Small Group 2-50 & Mid-Market 51-99)**

Three standard prescription drug options (Rx \$0, Rx \$250 and Rx VBP) are available for the Small Group Off Marketplace and Mid-Market segments (*Attachment A*). The Small Group Off Marketplace drug plans

can generally be paired with any of the Small Group Off Marketplace products and still maintain the metal level of the medical product. A few changes were made for 2015 and include the following:

- PPO products that share the same deductible amount as a PPO+ Rewards product can only be paired with the Rx \$0 and Rx \$250 in the Small Group segment.
- The PPO+ Rewards product will be paired only with the Rx VBP product in the Small Group segment.
- The HMO products have an embedded Rx plan design in the Small Group segment
- Rx \$250 is the previous Rx \$50 with an increase to the deductible which only applies to brand drugs and the specialty Rx benefit is 20% coinsurance up to max \$250.
- The Rx VBP was changed to Restrictive

## Renewals and Proposals

In the renewal documents, groups will find that the 2014 products that are being eliminated or that had embedded pediatric dental and were changed are being mapped to the closest 2015 benefit design with embedded pediatric dental. All other non-embedded pediatric dental products were mapped to a 2015 non-embedded PD product, in order to eliminate situations for groups where children would have double coverage. Both Renewals and Proposals were updated to include information about the product changes.

The Small Group renewal documents will also contain a separate cover letter and a required Centers for Medicare and Medicaid Services (CMS) renewal or discontinuation notice for each product. CMS requires all issuers to send a renewal notice if a group's plan is not changing, or a discontinuation notice if the product is being eliminated or had significant changes. In some cases, depending on the products that a group offers, they may receive multiple renewal and/or discontinuation notices. The CMS cover letter and notices will be located at the back of the renewal.

## Highlight Sheets & Collaterals

The 2015 Group Product Training presented during the producer webinars is provided for your reference (*Attachment B*).

Highlight sheets are available for small group and mid-market products in Sales360° by selecting the highlight sheet proposal document after creating a quote. They will also be made available in the Producer Tools section of Capbluecross.com.

Collaterals that required changes due to new product names and/or benefit design changes are in the process of being updated and will be available upon completion on our website.

## Attachments

- **Attachment A** – 2015 Group Product Grid
- **Attachment B** – 2015 Group Product Training Presentation

## Questions

Contact your Preferred Agency with any questions. Thank you.